

**CIO Council Meeting Notes  
July 30, 2003  
Enterprise Conference Room  
Department of Correction – Yonkers Rd.**

**ATTENDEES PRESENT:**

**Members:** Cliff Layman, Dell Pinkston (representing Smitty Locklear), Gary Zeller, Bob Brinson, Mark Hughes, Nancy Lowe, Elaine Glass (representing Bob Bellamy), Randy Barnes, Steve Hulse, Mary Sue Brown, George Bakolia, Ben McLawhorn, Lee Mandell, Yuji Smith (representing Lenny Superville)

**ITS Staff:** Gary Alexander, Ann Garrett, Ross Yannayon, Julia Nipper, Wendy Kuhn, Dave Rossi, Mike Fenton

**Other Visitors:** Sarah Joyner, Kathy Austin

**Scribe:** Ben McLawhorn

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**WELCOME/COMMENTS:**

Chairman Zeller called the meeting to order at 10:05am. and welcomed everyone to the July CIO Council meeting. He asked the vendors in attendance to introduce themselves and to state the name of the company they represented. Chairman Zeller then introduced Ben McLawhorn as the scribe for today's meeting. He asked all presenters to provide the scribe with notes from their presentation, beginning with this meeting. Mary Sue Brown asked the Chairman if the meeting notes could reflect the name of the scribe that prepared them. The Chairman agreed.

**APPROVAL OF JUNE MEETING NOTES:**

The notes of the June meeting were approved without correction.

**NOVEMBER/DECEMBER CIOC MEETINGS**

Chairman Zeller announced that the date of the November meeting has been changed to November 19<sup>th</sup>. The December meeting has been cancelled.

**CIOC PROGRAM PLANNING COMMITTEE ELECTIONS:**

Ben McLawhorn reported that Mary Sue Brown, Bob Brinson and Randy Barnes were re-elected to another term on the CIOC Program Planning Committee.

**EMAIL USERS GROUP:**

Chairman Zeller introduced Sarah Joyner, who discussed the role of the Email Users Group. Ms. Joyner reported that the Email Users Group usually meets on the 3<sup>rd</sup> Thursdays of each month. Anywhere from 10 - 40 people attend the meetings. She stated that she believes the work of the group has been very beneficial. Although the NCMAIL team from ITS attends all meetings, Ms. Joyner indicated that this meeting is not just for NCMAIL users. She stated that a few non-NCMAIL users were attending the meetings, and encouraged all agencies to participate, even if they were not currently using NCMAIL. Discussion topics center around both email and calendar issues. Ms. Joyner closed her discussion by inviting members interested in receiving meeting notices and minutes to contact her at [Sarah.Joyner@ncmail.net](mailto:Sarah.Joyner@ncmail.net).

### **IRMC UPDATES:**

Woody Yates announced a change in schedule for the next IRMC meeting. The new meeting date is Friday, August 8<sup>th</sup>. The TAPCC meeting date has also be changed to August 7<sup>th</sup>. There will be 2 TAPCC meetings on that date. The first meeting will be from 1:30pm – 3:30pm to discuss the NCWISE project, with the regular meeting following that discussion. The location for this month's TAPCC meeting is the DPI Board Room. TAPCC will return to their new location in the Archdale Building next month.

Mr. Yates reported that the TAPCC approved the State Treasurer's Integrated Retirement System at their last meeting. This month, the following projects will be discussed:

- ◆ DJJDP – Phase III of NC JOIN
- ◆ CC&PS – Voice Interoperability Plan for Emergency Response (VIPER)
- ◆ DHHS – Medicaid Management Information System

Mr. Yates thanked everyone for their participation on the Babcock Study. He reported that the initial phase is nearing completion.

Mr. Yates also reported that OSBM had approved the CIOC request for carryover funding to develop enterprise training in the areas of security and project management and that he will be working with Chairman Zeller to coordinate this effort.

### **STATE CIO STATUS REPORT/COMMENTS:**

State CIO, George Bakolia reported that he had recently provided emails to the CIOC regarding security and legislative updates.

Mr. Bakolia also discussed his recent security briefing to the Governor's Cabinet. Governor Easley had asked him to provide a brief overview of the security challenges facing state agencies in terms of computer system security. Mr. Bakolia reported that the Cabinet was most interested in the presentation, and that he hoped that their level of awareness was raised. He wanted the CIOC members to be aware of his presentation because they might be asked questions about the state of security in their individual agencies.

Mr. Bakolia mentioned that CIOs should be aware of a recent memo from the Governor regarding extending service contracts beyond their original term. The purpose of this letter was to avoid continuous extensions without competitive bid. He shared a copy of this letter with the CIOC. Mr. Bakolia stated that this does not apply to supplemental contracts.

Mr. Bakolia also discussed a recent interview that he had with a reporter from the Charlotte Observer regarding the trend of offshore outsourcing. He indicated that he knew of at least 5 states that are reviewing the legality of offshore outsourcing. In addition to the 5 states, Mr. Bakolia reported that Gartner, MetaGroup and NASCIO are also reviewing this issue. Mr. Bakolia stated that he has already briefed the Governor's Office on this issue. His concerns relate to the transfer of intellectual assets and knowledge, as well as security.

Mr. Bakolia asked Ross Yannayon to provide an operational update. Mr. Yannayon reported:

**NC Portal Move** - ITS officially assumed ownership for the State Web Portal as of July 5, 2003 and that a number of incremental improvements to the platform and application designed to provide longer-term stability and fail-over capabilities that previously were not in place have been implemented. He stated that they were continuing to refine ongoing portal management processes.

**NDS Infrastructure Modernization – Phase 1 and Phase 2** – All agency migrations were completed by 6/23/03 (Phase 1). Phase 2 migration activities underway with several agencies already fully migrated away from IPX routing. Phase 2 migrations continue as planned with final completion slated for 9/18/03.

**Security Zone/Trust Zone Hosting** – ITS Trust Zones are operational and continue to be reviewed and enhanced as necessary. Mainframe test LPAR (W) was successfully migrated, as was the first production LPAR (X). Mainframe production N LPAR was also migrated, but experienced session timeout issues in the transaction zone environment. The change has since been backed out while the issues are being analyzed. The migration of the N LPAR will be rescheduled once the technical issues have been resolved and retest. The schedule for migrating the remaining LPARs will then be adjusted and republished via the Technical Information Bulletins (TIB) listserv. All other trust zone activities required for ITS LAN migration are scheduled for completion in mid-September. Remaining milestones to be rebaselined based on results of these key activities.

**Mainframe OS Upgrade** – The latest operating system upgrade was implemented on the SYSA and SYSE production systems with no disruption in services. RACF template updates were applied to the system per published Technical Information Bulletins.

**Common Payment Services** – There were two significant accomplishments for the CPS service this past month: a) performed a major CPS software upgrade that brought us up to the latest release of the COTS software we are using for CPS and in the process, this allowed us to consolidate the (2) API's that were used for credit card and ACH processing into (1) common API that performs both functions. All current clients on the CPS service were migrated to the new software version with no major complications; and b) ITS built, configured, and deployed a new hardware platform (6 servers) for the CPS service as part of a technology refresh exercise and to better position this application and service for future scalability. This was a key accomplishment given the anticipated growth in transaction volume for this service in the coming months. This upgrade was also done with no major complications.

**Telecommunications Services** – is in the process of implementing web-enabled delivery of electronic bill and auditing for TS bills. ITS expects to begin pilot deployment in late September with full deployment in November. ITS is also piloting an improved phone line usage audit process, and this is near completion. They hope to use this as an example/model for other agencies and will update the CIOC on this pilot when it is completed.

Mr. Bakolia also asked Ann Garrett, ITS Chief Security Officer, to provide an update on security topics. Ms. Garrett reported:

**Agency Security Assessment** – Recent legislation requires an agency security assessment. The responses to the scope statement for the second phase of the IRMC/IPPC sponsored security initiative were received on 6/16/03. The results are being reviewed and a vendor should be selected soon to set up the project office. The selected vendor will be tasked with developing, implementing, staffing, and operating a project office for conducting a statewide security assessment effort. This project office model is based on the Y2K model. The ITS Security Office has also prepared the scope statement to procure vendors to conduct the assessments and examined metrics that can be used to evaluate agency security and risk. They have added two new security positions to assist agency security liaisons with security standards compliance.

**Agency Security Liaison – Background Checks** – An addition to the security standards law requires agency security liaisons to have background checks performed by the SBI. Under the provisions of this law, the results must be given to the agency head and the State CIO. In order

to facilitate implementation of the process, ITS has requested a meeting with the SBI to develop a process. Once this process has been defined, ITS will inform the agency liaisons and liaison candidates.

***Incident Reporting*** – An enhancement to the security standards law requires agencies to report information security incidents to the ITS Security Office within 24 hours. The ITS Security Office has had an incident management plan in place since 1998 and many agencies have voluntarily reported them and worked with ITS to address incidents on the state's network. Agencies should contact ITS Security Office or the ITS Client Support to report such matters. All reported incidents are recorded and tracked. They are enhancing the process and will be implementing a method to report an incident online soon. Ms. Garrett also passed out a handout, which graphically presented information regarding Information Security Incidents from 2000, 2001, 2002, & 2003 YTD. Several items of note are:

- Internet incident activity dramatically increased around '911'
- Incidents are steadily increasing
- Agencies report incidents in proportion to their consumption of network resources
- Hacking incidents exploiting system vulnerabilities (patches) are on the rise.

***Business Continuity Planning*** – Legislation requires state agencies to develop, review, and update business and disaster recovery plans for IT. Agencies are required to submit those plans on an annual basis to the IRMC and the State CIO. There is an IRMC policy on business continuity planning and the state has an enterprise license for the LDRPS planning tool. The IRMC has asked agencies to identify and report on their BCP plans for critical systems. OSA uses COBIT which requires that each plan contain assumptions, identification of critical applications, identification of key personnel, alternative procedures, arrangements for alternate facility, inventories of equipment and telecommunications, stock supplies, plan test and updates, and executive review and signoff.

***Results of Security Policy Gap Analysis*** – Ms. Garrett reported this report has been endorsed by the IPPC and will be going to the IRMC. She also mentioned that the IPPC endorsed the new terms that has been included in the Security Glossary of Terms, as well as the Security Gap Analysis Study Framework for Policies and Security Architecture.

Mr. Bakolia asked Mike Fenton to provide an update on Asset Inventory

***Asset Inventory*** – The hardware inventory has been completed, and a draft of the assessment tool for collecting application information has been prepared. A group of agency CIOs is meeting to review the proposed inventory sheet later this week. If they concur with the approach, the form will be distributed electronically for each CIO to complete. The inventory will not include desktop software—just server and mainframe information. Mr. Fenton reminded the CIOs to please be aware of the future legacy survey—and to think about the information that will also have to be collected in order to meet that legislative requirement.

#### **PROJECT MANAGEMENT CLASSIFICATION:**

Randy Barnes reported that there has been good reception from OSP, as well as from the universities. The workgroup is developing job descriptions and salary grade recommendations. OSP as recommended that the universities be integrated into the CIOC workgroup to enhance the impact of the recommendations.

#### **PROJECT CERTIFICATION UPDATE:**

Randy Barnes reported that a meeting had recently been held to synch-up where the project was and to identify any existing gaps. There are two sub-groups working on: 1) registration form and charter and 2) risk profile. Ms. Barnes reported that things were moving along good.

### **SECURITY AND PROJECT MANAGEMENT TRAINING UPDATE:**

Chairman Zeller reported that OSBM had approved the carry forward funds that will be used to provide the training. Mr. Bakolia asked that a letter of thanks be sent to OSBM. Bill Golden will chair a subcommittee charged with identifying security-related training requirements. Project management training will follow at a later date. The CIOC Program Planning Committee will discuss this at their next meeting.

### **LIST-SERV:**

Chairman Zeller announced that the CIO Program Planning Committee had proposed 4 list-serv categories. These are: (1) Network infrastructure (firewalls, routers, switches, hubs, cabling, etc.); (2) Servers (OS, hardware, NT, NetWare, UNIX, etc...); (3) Desktop (OS, MS Office Products, hardware, etc...); and (4) Application Development/Database (development tools, DP platforms, .NET, Web programming, etc...). Smitty Locklear will coordinate the initial set-up of these list-serv categories, and will need assistance. CIOC approved these list-serv categories.

### **OTHER BUSINESS:**

Chairman Zeller noted that a future discussion topic might be on the need for establishing standing committees vs. ad hoc committees as was expressed to him by Arlon Kemple. He asked the members to give some thought to this.

Having no more business to discuss, the meeting adjourned at 11:20am

***Next meeting: 10:00am on August 27, 2003 – Albert Coates Building***